

News

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Consumer Price Index for Milwaukee-Racine, WI First Half 2001 Semiannual Average

The Milwaukee-Racine area Consumer Price Index for All Urban Consumers (CPI-U) rose 1.3 percent in the 1st half average of 2001, according to the U.S. Department of Labor's Bureau of Labor Statistics (BLS). The 1st half 2001 Milwaukee-Racine area CPI-U was 171.8 (1982-84=100), representing a 2.5 percent increase from the 1st half of 2000. This gain was similar to the 3.0 percent increase noted in the prior annual period (1st half 1999-1st half 2000).

Regional Commissioner Peter J. Hebein of the Bureau's Chicago office, stated that about one-half of the latest semi-annual gain was attributed to higher housing costs. An increase in the food and beverages component was responsible for about one-quarter of the increase. The components for transportation, medical care, education and communication, and recreation were also higher in the first half of the year, accounting for the remainder of the gain. Declines in the components for apparel and other goods and services only partially offset these advances. Energy costs were 7.7 percent higher in Milwaukee during the first half of 2001 compared with their last half averages in 2000. If the effects of the volatile food and energy components were factored out, the 1st half 2001 CPI-U would have risen only 0.6 percent.

Housing costs advanced 1.8 percent during the 1st half of the year. Increases in the indexes for shelter (1.3 percent) and fuel and utilities (8.8 percent) were about equally responsible for the gain. Electricity costs rose 4.4 percent in the 1st half of 2001 and stood 9.3 percent above their year ago levels. The cost for utility natural gas service escalated 14.6 percent in the most recent six-month period to a level 37.9 percent above that of a year ago. The index for household furnishings and operations sank 2.0 percent below its 2nd half 2000 average level, leaving the index 0.1 percent lower compared with a year ago. Overall housing costs in the Milwaukee-Racine area were up 3.6 percent from one year ago, following a 1.5 percent increase in the prior annual period.

The food and beverages component rose 2.8 percent during the first six months of 2001—similar to 1st half gains experienced in 1999 and 2000. Grocery prices (food at home) rose 2.5 percent during the 1st half of this year and the cost of dining out (food away from home) was 1.4 percent more compared with the last half of 2000. Rounding out the increase in the food and beverages component was a 2.3 percent gain in the alcoholic beverages index. The overall cost of food and beverages over the past year increased 2.7 percent after posting identical 3.9 percent gains in the prior two annual periods.

Transportation costs rose 0.7 percent during the 1st half of 2001. Gasoline prices increased 5.8 percent during the first half of this year, not as nearly as much as the 21.9 percent jump experienced in the 1st half of 2000. Over the past year, transportation costs in general were up 0.9 percent following a 5.8 percent advance the year before. Gasoline prices rose 4.8 percent above their 1st half 2000 averages after posting a 42.1 percent hike in the previous annual period.

During the 1st half of 2001, the medical care component increased 2.0 percent, leaving the component 3.2 percent above its year ago level. This annual gain follows increases of 2.5 percent in 2000 and 5.4 percent in 1999.

The index for recreation increased 0.4 percent during the first six months of the year although it remained 0.3 percent below its year ago level. The education and communication index rose a 2.0 percent from the last half of 2000 to a level 5.1 percent above that of one year ago.

The apparel component decreased 3.9 percent during the first half of the year and was 0.1 percent below its 1st half 2000 level. The other goods and services component, which includes personal care items and services, and tobacco and smoking products, fell 0.6 percent for the first six months of the year. Compared with the 1st half of 2000, this component moved up 1.5 percent.

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CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Milwaukee area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the schedule release date for the next CPI issuance. The Hotline number in Milwaukee is (414) 276-2579.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 280 documents containing the most popular BLS data

including more than 65 documents containing CPI data for the nation, four regions, and 30 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select menu option 1, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 80 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 85 urban areas across the country from about 57,000 housing units and Approximately 19,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 85 locations. Prices of most other commodities and services are collected every month in the five largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives. Mail questionnaires are used to obtain utility rates, some fuel prices, and certain other items.

In calculating the index, price changes for the various items in each location are averaged together with weights, which represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

The index measures price change from a designated reference date- 1982-84-which equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see BLS Handbook of Methods, Bulletin 2490, Chapter 17, April 1997 The Consumer Price Index.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2001 from—	
	1st half 2000	2nd half 2000	1st half 2001	1st half 2000	2nd half 2000
Expenditure category					
All items	167.6	169.6	171.8	2.5	1.3
All items (1967=100)	517.6	523.8	530.8	-	-
Food and beverages	169.0	168.9	173.6	2.7	2.8
Food	170.0	169.6	174.4	2.6	2.8
Food at home	166.3	166.3	170.5	2.5	2.5
Food away from home	175.8	176.7	179.2	1.9	1.4
Alcoholic beverages	161.7	166.1	170.0	5.1	2.3
Housing	165.0	167.8	170.9	3.6	1.8
Shelter	199.4	199.8	202.3	1.5	1.3
Rent of primary residence	174.9	175.8	178.0	1.8	1.3
Owners' equivalent rent of primary residence ¹	210.7	212.0	214.1	1.6	1.0
Fuels and utilities	117.3	132.5	144.2	22.9	8.8
Fuels	101.8	114.2	124.7	22.5	9.2
Gas (piped) and electricity	105.6	118.3	129.5	22.6	9.5
Electricity	108.2	113.3	118.3	9.3	4.4
Utility natural gas service	101.9	122.6	140.5	37.9	14.6
Household furnishings and operations	114.1	116.3	114.0	-1	-2.0
Apparel	117.4	122.0	117.3	-1	-3.9
Transportation	149.3	149.6	150.7	.9	.7
Private transportation	141.0	142.1	143.9	2.1	1.3
Motor fuel	134.1	133.0	140.6	4.8	5.7
Gasoline (all types)	132.6	131.4	139.0	4.8	5.8
Gasoline, unleaded regular ²	135.7	135.0	143.5	5.7	6.3
Gasoline, unleaded midgrade ^{2 3}	140.3	138.1	147.9	5.4	7.1
Gasoline, unleaded premium ²	123.5	121.3	124.4	.7	2.6
Medical care	256.2	259.2	264.3	3.2	2.0
Recreation ⁴	103.0	102.3	102.7	-3	.4
Education and communication ⁴	103.4	106.6	108.7	5.1	2.0
Other goods and services	265.2	270.8	269.3	1.5	-6
Commodity and service group					
All items	167.6	169.6	171.8	2.5	1.3
Commodities	144.8	145.9	146.5	1.2	.4
Commodities less food and beverages	131.4	133.0	131.9	.4	-8
Nondurables less food and beverages	142.6	146.9	145.1	1.8	-1.2
Durables	120.1	119.1	118.6	-1.2	-4
Services	189.8	192.6	196.4	3.5	2.0
Special aggregate indexes					
All items less medical care	163.5	165.4	167.6	2.5	1.3
All items less shelter	157.5	160.1	162.3	3.0	1.4
Commodities less food	132.5	134.2	133.2	.5	-.7
Nondurables	156.2	158.5	159.8	2.3	.8
Nondurables less food	143.6	147.9	146.5	2.0	-.9
Services less rent of shelter ¹	187.2	192.9	198.2	5.9	2.7
Services less medical care services	184.2	187.0	190.6	3.5	1.9
Energy	115.4	122.7	132.2	14.6	7.7
All items less energy	175.7	176.6	178.2	1.4	.9
All items less food and energy	177.1	178.3	179.4	1.3	.6

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.